

AMENDED IN SENATE APRIL 7, 2015

**SENATE BILL**

**No. 555**

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**Introduced by Senator Wolk**

February 26, 2015

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An act to add Section 10608.34 to the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 555, as amended, Wolk. ~~Department of Water Resources: urban~~  
*Urban retail water suppliers: water loss-audits: management.*

Existing law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020, and requires the state to make incremental progress towards this goal by reducing per capita water use by at least 10% on or before December 31, 2015. Existing law requires each urban retail water supplier to develop urban water use targets and an interim urban water use target, in accordance with specified requirements.

This bill would require each urban retail water supplier, on or before July 1, 2017, *and annually each year thereafter*, to conduct a water loss audit as prescribed by rules adopted by the Department of Water Resources on or before July 1, 2016, *and updated as provided*. This bill would require an urban retail water supplier to submit a *completed and validated water loss* audit report *for the previous calendar year* to the ~~department within 60 days of completion and department, as specified. The bill would require the department to post the report all validated water loss audit reports~~ on its Internet Web site ~~in a timely manner after its receipt. in a manner that allows for comparisons across water suppliers and to make these reports available for public viewing.~~ This bill would require the department to provide technical assistance to guide urban retail water suppliers' water loss detection programs.

*The bill would require the department, in consultation with the State Water Resources Control Board, to develop metrics for reporting year-over-year progress on water loss reduction and would require the board to adopt rules requiring urban retail water suppliers to meet performance standards for the volume of water losses.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 10608.34 is added to the Water Code, to  
2 read:  
3 10608.34. (a) (1) On or before July 1, 2016, the department  
4 shall adopt rules for all of the following:  
5 (1)  
6 (A) The conduct of standardized water loss audits by urban retail  
7 water suppliers in accordance with the method adopted by the  
8 American Water Works Association in the third edition of Water  
9 Audits and Loss Control Programs, Manual—~~M36~~: *M36 and in*  
10 *the Free Water Audit Software, version 5.0.*  
11 (2)  
12 (B) The process for validating ~~audit reports~~ *a water loss audit*  
13 *report* prior to submitting the report to the department.  
14 (3)  
15 (C) The method and timing of submitting ~~an~~ *a water loss audit*  
16 *report* to the department.  
17 (2) *The department shall update rules adopted pursuant to*  
18 *paragraph (1) every five years and no later than six months after*  
19 *the release of subsequent editions of the American Water Works*  
20 *Association's Water Audits and Loss Control Programs, Manual*  
21 *M36.*  
22 (b) On or before July 1, 2017, *and annually each year thereafter,*  
23 *each urban retail water supplier shall* ~~conduct a water loss audit~~  
24 *submit a completed and validated water loss audit report for the*  
25 *previous calendar year* as prescribed by the department pursuant  
26 to subdivision (a).  
27 ~~(c) An urban retail water supplier shall submit a validated audit~~  
28 ~~report to the department within 60 days of completion. The~~  
29 (c) *Each water loss audit report submitted to the department*  
30 *shall be accompanied by information, in a form specified by the*

1 department, identifying steps taken in the preceding year to  
2 increase the validity of data entered into the final audit, reduce  
3 the volume of apparent losses, and reduce the volume of real losses.

4 (d) At least one of the following employees of an urban retail  
5 water supplier shall attest to each water loss audit report submitted  
6 to the department:

7 (1) The chief financial officer.

8 (2) The chief engineer.

9 (3) The general manager.

10 (e) The department shall deem incomplete and return to the  
11 urban retail water supplier any final water loss audit report found  
12 by the department to be incomplete, not validated, unattested, or  
13 incongruent with known characteristics of water system operations.  
14 A water supplier shall resubmit a completed water loss audit report  
15 within 90 days of an audit being returned by the department.

16 (f) The department shall post ~~the report~~ all validated water loss  
17 audit reports on its Internet Web site in a manner that allows for  
18 comparisons across water suppliers. The department shall make  
19 the validated water loss audit reports available for public viewing  
20 in a timely manner after ~~its~~ their receipt.

21 ~~(d)~~

22 (g) Using available funds, the department shall provide technical  
23 assistance to guide urban retail water suppliers' water loss detection  
24 programs, including, but not limited to, metering techniques,  
25 pressure management techniques, condition-based assessment  
26 techniques for transmission and distribution pipelines, utilization  
27 of portable and permanent water loss detection devices, and  
28 funding.

29 (h) (1) The department, in consultation with the board, shall  
30 develop metrics for reporting year-over-year progress on water  
31 loss reduction.

32 (2) On or before July 1, 2020, the board shall adopt rules  
33 requiring urban retail water suppliers to meet performance  
34 standards for the volume of water losses.